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FOR INFORMATION

REVISED PROPOSAL FOR AN ADMINISTRATIVE AND MANAGEMENT REVIEW OF UNICEF

SUMMARY

In its decision 1993/23 (E/ICEF/1993/14), the Executive Board requested the Executive Director to submit at the 1994 winter organizational session a revised outline of an administrative and management review of UNICEF. The present report provides this revision and includes an update of developments since the Board's 1993 regular session, as well as a discussion of the objectives, scope and framework of the review, the terms of reference of the independent external consultants, the organization and conduct of the review and its projected time-frame and costs.

The present report contains the revised terms of reference for an administrative and management review of UNICEF, as approved by the Executive Board at its first regular session of 1994 (E/ICEF/1994/13, decision 1994/R.1/6). As requested in paragraph 26 of the present report, a note containing more specific information will be forthcoming.

I. INTRODUCTION

1. At its 1993 regular session, the Executive Board reviewed the proposal by the Executive Director (E/ICEF/1993/AB/L.8 and Corr.1) for a review of administrative and management structures at UNICEF headquarters. The Board welcomed the proposal's overall approach and framework and decided that the review should be carried out by external consultants from both industrialized and developing countries, in close cooperation with the UNICEF secretariat (decision 1993/23). The Executive Board also provided specific guidance to the secretariat as to the structure of the review and requested the Executive Director to submit a revised outline of the review at the 1994 winter organizational session.

2. The Board requested that the secretariat take into account the results of the ongoing discussion on the restructuring and revitalization of the United Nations in the economic and social fields and the findings and experience of the multi-donor evaluation of UNICEF. It also emphasized that the review should focus on accountability in terms of greater clarity in strategic choices and greater transparency in budgeting and reporting, as well as efficiency of management and administrative structures and functions, support services and financial and technical procedures. The Executive Board decided that the review should be finalized by the end of 1994 and that the consultants' report should be presented to the Board.

II. PROGRESS AND DEVELOPMENTS

3. In view of the very limited time available between the anticipated approval of the proposal in mid-February 1994 and completion of the entire review by the end of the same year, the secretariat has held advance consultations and begun other preparatory actions.

4. Specifically, the Executive Director has initiated a series of internal discussions on future strategic options with the regional directors and senior staff in the three functional groups at UNICEF headquarters (programme, operations and external relations) in order to determine the critical issues facing the organization.

5. Wide-ranging information-sharing and consultations are being undertaken with field staff, staff associations (the Global Staff Association and local associations) and with the staff at large on developments related to the review. As part of this exercise, all staff members were invited to suggest areas for improvement in the general cost-effectiveness and efficiency of the organization.

6. The Executive Director has been consulting with and seeking advice from institutions and individuals in the fields of management sciences and administration. These sources will provide him with state-of-the-art ideas and proposals for the conduct of this very important study, which will guide the management of UNICEF into the next century.

7. The Executive Director has designated as the coordinator for the study a senior-level officer, who has started preliminary identification of potential and appropriate consultants from among firms in the management field, prior to proceeding with the final selection processes.

8. On 20 December 1993, the General Assembly adopted resolution 48/162, which will have implications for the future work of UNICEF. It was expected that, at the 1994 winter organizational session, the Board would begin to review and decide upon its new procedures and practices, which will no doubt have implications for the working relationship between the secretariat and the Executive Board.

9. Various actions are under way with regard to follow-up to the multi-donor evaluation of UNICEF, which will be discussed by the Executive Board later in 1994. The linkages between the follow-up to the evaluation and the review will be included in the study.

III. PROPOSED OUTLINE

A. Objectives

10. The general purpose of the administrative and management review will be to assist the Executive Board in providing guidance to the Executive Director in determining how UNICEF management can be improved so that the organization may better carry out its mandate over the next 10 to 15 years. The review will aim to enhance the operational capacity of UNICEF:

(a) To seek ways of improving UNICEF management capacity to meet the terms of its mandate, and specifically its priority objectives, as agreed by the Executive Board;

(b) To examine UNICEF capacity to respond to change and identify any barriers to innovation;

(c) To examine UNICEF coordination and collaboration with Governments, other United Nations agencies and non-governmental organizations (NGOs) and to consider ways of improving these arrangements;

(d) To examine the use of financial and human resources in order to maximize the effectiveness of UNICEF activities;

(e) To consider the current disposition of staff and ways of promoting further decentralization;

(f) To examine the UNICEF evaluation system with a view to recommending how the system can provide clear assessments of the outcome of UNICEF activities and the success and impact achieved by its programmes.

11. In addition, in the short term, the review will assist the Executive Board in reviewing proposals for the 1996-1997 administrative and programme support budget.

B. Scope of the review

12. The review will involve an examination of UNICEF operational policies and procedures in relation to the organization's economy, efficiency and effectiveness in fulfilling its mandate. In particular, the review will:

(a) Examine accountability in terms of the organization's objectives and the need to make strategic choices in pursuing these objectives;

(b) Examine actions taken by the Reference Group of the Executive Board and the secretariat in ensuring greater transparency in budgeting and reporting;

(c) Identify areas for improvement in the efficiency of management and administrative structures and functions, support services and financial and technical procedures;

(d) Examine areas where improvements in the organization's cost-efficiency could be introduced;

(e) Look into collaboration with other United Nations agencies, NGOs and intergovernmental bodies, including areas where UNICEF cost-effectiveness may be hindered by system-wide constraints and procedures.

C. Framework

13. The review, which will be forward-looking, will be set within the framework of the UNICEF mandate and its objectives as approved by the Executive Board. It will also take account of:

(a) The multi-donor evaluation of UNICEF, noting that an open-ended working group of interested countries is currently meeting and may provide guidance and views on this subject;

(b) The ongoing restructuring and revitalization of the economic and social fields within the United Nations system;

(c) The most recent report of the Board of Auditors.

D. Terms of reference

14. The review will be carried out by external consultants from both industrialized and developing countries. The review will address the following issues.

1. Operational activities

15. Pursuant to the ongoing discussions on the restructuring and revitalization of the United Nations in the economic and social fields, as well as, in particular, the provisions related to the operational arrangements of the

specialized agencies as specified in General Assembly resolution 47/199 of 22 December 1992, the review will examine the extent to which the current UNICEF structure can be improved to accommodate the changes brought about by the restructuring. It will consider whether current operational structures could also be improved to maximize the impact of the work of UNICEF.

2. Collaboration with other organizations

16. Since UNICEF works with a wide spectrum of partners, including multilateral and bilateral organizations and NGOs, the review will assess actions needed to ensure more effective collaboration on all fronts. The review will examine UNICEF collaboration with other organizations to ensure effective coordination between agencies.

3. Processes and procedures

17. The review will examine the role of headquarters and regional offices in support of the country programme approach in the light of the increasingly complex and wide-ranging interventions of UNICEF globally. Established procedures for the positioning of staff, supplies and equipment, financial resources and advocacy instruments will be reviewed with a view to enhancing, where necessary, their relevance, costing and effectiveness. The review will consider current arrangements for accountability within the decentralized system with specific reference to Executive Board policy decisions and General Assembly resolution 47/199. The review will consider ways of promoting further decentralization. The review will also examine the relationship between the policy, management and support functions of headquarters and regional offices and programme implementation at the country level. It will examine the present and emerging roles of these structures and any need for changes for further improvement.

4. Operational and management systems

18. In the light of the rapidly expanding use of electronic information and communications in UNICEF operational activities, the review will examine existing and planned systems in relation to programme implementation, monitoring and evaluation. It will assess the efficiency and effectiveness of such systems in support of managing the organization and its resources. The review will also consider the question of systems compatibility both within UNICEF and in the United Nations as a whole.

5. Accountability

19. The review will examine the need for a detailed accountability framework for UNICEF, taking full account of, but not limited to, the specific accountability concerns raised in the recent UNICEF evaluation synthesis report. Further details on accountability questions are contained in the annex to the present report.

6. Emergency operations

20. The review will include UNICEF work in emergencies in relation to its mandate, the work undertaken by other United Nations bodies and NGOs and the utilization of resources, including staff time.

E. Conduct of review

21. Following an initial period of discussion with the Executive Board and the secretariat, the consultants will identify the documentation, field visits and interviews that they need to help them to undertake their work, including:

(a) A review of recent Executive Board policy decisions and guidance on programme and operational areas;

(b) The examination of administrative and operational studies, evaluations and reviews carried out in recent years;

(c) A review of administrative and operational policy manuals and other directives, as necessary;

(d) A study of the methods and flow of work within and between selected parts of the organization;

(e) Interviews of selected staff from various locations, including headquarters, regional offices, country/area offices and sub-national offices;

(f) Visits to a selective and representative number of UNICEF offices of different sizes, locations and functions, as well as visits to project sites, if necessary, specifically to obtain relevant information for a full assessment of the administrative structures and organizational needs;

(g) Discussion with officials of the United Nations Secretariat and other United Nations agencies regarding collaboration and cooperation;

(h) Discussions with selected National Committees for UNICEF and NGOs;

(i) Regular liaison with the coordinator and other secretariat steering and working groups of staff from headquarters and field locations;

(j) Discussion with the Board of Auditors and scrutiny of recent audit reports.

F. Timetable

22. The following are critical dates for the completion of the review:

(a) Executive Board first regular session, 23-25 February 1994: the Board has reviewed the proposed outline, terms of reference and budget;

(b) Executive Board second regular session, 25-29 April 1994: the Board will have informal consultations on the study;

(c) Executive Board third regular session, 21-23 September 1994: the Executive Board will review projections of headquarters staffing and make a preliminary review of the study;

(d) November 1994: consultants will discuss the draft report with the Executive Director;

(e) December 1994: consultants will finalize the report and submit it to UNICEF. The Executive Director's comments and recommendations and executive summary of the study will be sent to the Advisory Committee on Administrative and Budgetary Questions (ACABQ);

(f) March 1995: review by ACABQ;

(g) Annual session 1995: the Executive Board will consider the review and the Executive Director's recommendations.

G. Budget and costs

23. As described above, the administrative and management review would entail two types of costs: (a) all costs related to the external consultants, including fees, travel and related expenses; and (b) costs related to UNICEF staff members assigned to assist in carrying out the review either on a regular or temporary basis, including salaries, travel, production and incidental expenses.

24. Based on the secretariat's preliminary contacts with other United Nations agencies, UNICEF field offices and a number of management consulting institutions, estimated costs for external consultants ranged from $400,000 to $2 million. A ceiling of $1 million will be established for this work, with the understanding that, if additional funds are needed, the secretariat will request them from the Executive Board. The proposed budget is as follows:

	United States dollars
External consultants	
Consulting fees	500 000
Travel and related expenses	230 000
Subtotal	730 000
UNICEF staff costs	
Coordinator and support staff	225 000
Travel and per diem expenses	25 000
Production costs and other related expenditures	20 000
Subtotal	270 000
Total	1 000 000

25. In addition to the above, there will be the cost of senior management time devoted to the study, which has not been calculated. In view of the fact that the secretariat is endeavouring to control administrative costs and owing to the shortfalls in estimated general resources income for 1994, the Executive Director proposes to accommodate all these costs within the approved administrative and programme support budget for 1994-1995 through reductions in most categories in the budget.

26. The Executive Director will provide the Executive Board as soon as possible, but not later than at its next regular session, with an information note containing the following information:

(a) Names of the consulting firms considered for this exercise;

(b) A description of the selection process;

(c) The identification of places in the current administrative and programme support budget where economies were effected to fund the study as outlined above;

(d) A detailed breakdown of the budget.

Annex

ACCOUNTABILITY QUESTIONS

1. Many of the accountability concerns to be addressed are enumerated in the UNICEF evaluation synthesis report. a/ However, in examining the need for an accountability framework, the consultants will also consider broader questions pertaining to the overall mandate of UNICEF and the respective roles and responsibilities of the secretariat and the Executive Board. UNICEF accountability will be examined at all levels, ranging from its strategic programming choices to the cost-effectiveness of its operations and to its monitoring, evaluation and administrative capacities.

2. Specific accountability questions to be addressed will include the following:

(a) Does UNICEF have a clear updated mission statement, defining its mandate and organizational objectives?

(b) Does this mission statement provide UNICEF with a clear basis for accepting or rejecting the increasing demands it is facing to enlarge its activities in such areas as family planning, emergencies, women's issues, children's rights, etc., or at least for delineating its optimal role in these areas in relation to the mandates of other concerned organizations, such as the United Nations Population Fund (UNFPA), the United Nations Development Fund for Women (UNIFEM), human rights agencies, etc.? If not, what additional instrument does UNICEF require to assist it in ensuring a properly controlled response to these demands?

(c) What are UNICEF priorities in relation to its mandate and objectives? How are these priorities established? When new priorities are identified, how does the organization trade these off with existing priorities, while still remaining consistent with its mandate and objectives?

(d) What steps can be taken to realize a sharper distinction between programme implementation questions, which are the responsibility of the secretariat, and governance issues, which are the purview of the Executive Board?

(e) How can the work of the UNICEF Evaluation and Research Office be reoriented to focus on impact evaluations and a thorough examination of the linkages between programmes, outputs and impacts?

(f) How can UNICEF improve the qualitative monitoring of its country programmes?

(g) How can UNICEF improve its unit cost data at the country level?

(h) How can UNICEF programme budgets be more effectively linked to its administrative and programme support budget, so as to improve transparency?

Notes

a/ See Strategic Choices for UNICEF: Evaluation of UNICEF: Synthesis report 1992, p. 132, figure 4.3, third column.